

# **Ethics Briefing for Air Force Reservists**

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# **Overview**

- **Gifts from outside sources**
  - **Gifts to superiors**
  - **Conflicts of interest**
  - **Government property**
  - **Job hunting & post-government employment**
  - **Travel**
  - **Miscellaneous**
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- **“JER” stands for Joint Ethics Regulation, DoD 5500.7-R, which is DoD’s ethics regulation.**

# **Gifts from outside sources -- General Rules**

- **Employees may not accept gifts:**
  - **Offered because of their official position,  
OR**
  - **From a “prohibited source” (DoD  
contractor)**
- **30 exceptions (actually 9 items excluded  
from definition of a gift, and 21 exceptions)**
- **Gifts to relatives -- because of their  
relationship with you -- are considered to  
be gifts to you**

# **Gifts from outside sources -- Things that are not considered to be “gifts”**

- **Modest items of food & drink not part of a meal (coffee, soft drinks, donuts, hors d'oeuvres).**
- **Items with little intrinsic value intended solely for presentation (e.g., plaques, certificates & trophies).**
- **Opportunities & benefits offered to the public, to all govt employees, or to all military personnel. Example: “military discount” for airlines & hotels**

## **Gifts from outside sources -- \$20 / \$50 rule**

- **Can accept gifts up to \$20 in value at one time**
- **Gifts from one source (e.g., one company) can't exceed \$50 in value in a calendar year**
- **Can't accept cash or investments**
- **Gift worth \$25 -- can't pay \$5 & accept it**

# **Gifts from outside sources -- widely attended gathering rule**

**You may accept free attendance at an event if:**

- Large number of persons (20 or more) expected to attend,**
- Attendance furthers AF programs or operations,**
- Attendees have diversity of views or interests,  
&**
- Cost of your free attendance is paid for by: (A) sponsor of the event, (B) non-sponsor that pays for a certain no. of govt. employees but doesn't choose which employees it pays for, OR (C) non-sponsor that picks which govt. employee it will pay for, if more than 100 people expected to attend, & value of free attendance \$260 or less.**

# **Gifts from outside sources - rollout or launch ceremonies (JER para. 2- 300c)**

- **If your commander or civilian director has approved your attendance at ceremony to mark completion of milestone in shipbuilding, completion of aircraft, or similar vehicle launch or rollout, you may accept:**
  - **Free attendance at functions (reception, lunch, dinner, etc.) if not lavish or excessive, and**
  - **Gifts or mementos, if you're official participant in the ceremony; total value does not exceed \$100 per family, and cost is not borne by US Govt.**

# **Gifts from outside sources -- gifts from foreign government (AFI 51-901)**

- **Gift worth \$260 or less -- you may keep.**
- **Gift worth more than \$260**
  - **Personal property items -- belong to govt.**
  - **Travel expenses -- you can accept with your commander's written approval.**
- **Rules apply to active duty, reservists, civilian employees, and the dependents of each.**



# **Gifts -- Travel Payments**

- **Can accept travel payment (e.g., plane ticket) from non-fed. source if you will attend meeting or similar function in official capacity away from duty station.**
- **Can't accept travel payments if: (1) meeting is required to carry out statutory or regulatory functions (audits, inspections, site visits, negotiations, litigation), or (2) primary purpose of meeting is to market non-Federal source's products or services.**
- **Payments are not reported on your financial disclosure form (OGE Form 450 or SF 278), but payments over \$250 per event must be reported using SF 326.**

## **Gifts from outside sources -- Gifts based on your business activities**

- **Federal employees, including reservists, may accept meals, lodgings, transportation & other benefits resulting from their outside (i.e., outside the U.S. govt) business or employment activities, if the benefits have not been offered or enhanced because of their official position. [5 CFR 2635.204(e)(2)]**
- **Example: Reservist who works for defense contractor may accept company gift of \$25 Thanksgiving turkey, if all similarly situated employees receive the same gift.**

# **Gifts to Superiors -- General Rules**

- **General rule: Federal employees, including reservists, may not give gifts to their superiors.**
- **“Superior” means:**
  - **Your supervisor,**
  - **Your supervisor’s supervisor, and**
  - **Everyone up the chain of command.**
- **There are two exceptions: occasional gifts and special occasion gifts.**

## **Gifts to Superiors -- Occasional Gift Exception**

- **Federal employees, including reservists, may give to a superior on an occasional basis (e.g., birthday, Boss' Day, promotion):**
  - **Item(s) worth \$10 or less (not cash),**
  - **Food and/or beverage that is shared in office,**
  - **Hospitality provided at your home,**
  - **Item(s) customarily given when receiving hospitality from your superior (e.g., bottle of wine when boss invites you to dinner),**  
**OR**
- **Leave transferred under Vol. Leave Transfer Program to non-supervisor (civilians only).**

# **Gifts to Superiors -- Special Occasions**

- **“Special occasion” means infrequent & signif. personal occasions (marriage, baby, illness) or end of sup.-sub. relationship (retire, PCS).**
- **Gift from individual subordinate: no \$ limit, but must be appropriate to the occasion.**
- **Gift from group containing subordinates**
  - **Gift generally limited to \$300 in value**
  - **\$300 limit is N/A to food, refreshments or entertainment given to mark the event**
  - **Can’t ask folks to give more than \$10 to gift**

# **Conflict of Interest -- Matters It's a Crime to Work On**

- **You may not participate personally & substantially in any matter (through decision, advice, recommendation or investigation) that would affect the financial interests of:**
  - **You, your spouse, or your minor child;**
  - **Your general partner;**
  - **An organization in which you are serving as officer, director, trustee, general partner or employee; OR**
  - **An organization with which you are negotiating for employment (or have an arrangement for future employment).**

# **Conflict of Interest -- Matters Your Supervisor May Disqualify You from Working On**

- **Supervisor may disqualify you from working on a matter that affects financial interests of:**
  - **A member of your household;**
  - **A relative with whom you have a close personal relationship;**
  - **Any person or company with whom you have or seek a business, contractual or financial relationship (other than routine commercial transactions) -**  
**Continued**

# **Conflict of Interest -- Matters Your Supervisor May Disqualify You From Working On (Continued)**

- **Any organization in which you have served, in the last year, as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee;**
- **Any organization in which you are an “active participant” (e.g., committee chair); OR**
- **Any organization in which your spouse, parent or dependent child is serving as officer, director, trustee, general partner, agent, attorney, consultant, contractor or employee.**



# **Conflict of Interest -- Financial Disclosure Forms (OGE Form 450)**

- **Full-time officers & employees must complete OGE Form 450 if:**
  - **They are Colonel / GS-15 or below, and**
  - **Duties involve decision-making or significant judgment in contracting or procurement.**
- **Reservists who serve on active duty for less than 30 consecutive days during a calendar year are not required to complete OGE Form 450 unless their supervisor requests it. [JER para. 7-300a(2)]**

# **Conflict of Interest -- Stock**

- **Federal employees, including reservists, may not work on any government matter (e.g., contract, source selection or claim) that affects the financial interests of a company, if they (or their spouse or minor child) own stock in the company.**
- **Exception if the value of stock owned by you, your spouse & minor children in all the companies involved in the matter is \$15,000 or less.**
- **EX: If Companies A & B are competing for a govt. contract, you can work on source selection if you own 6K of stock in one and 7K of stock in the other.**

# **Conflict of Interest -- Assignment of Reservists**

- **A reservist may not be assigned to duties involving access to:**
  - **Information that would help his or her private employer in an ongoing or future source selection, OR**
  - **Proprietary or confidential information about the competitors of his or her private employer. [JER para. 5-408]**

# **Conflict of Interest -- Disclosure of Non-Public Information**

- **Federal employees, including reservists, may not disclose non-public information:**
  - **To further their own private interests, OR**
  - **To further the private interests of another (such as their private employer). [5 CFR 2635.703]**
- **“Non-public information” means information the employee gains by reason of Federal employment, and that he or she knows (or reasonably should know) has not been made available to the general public.**

# **Conflict of Interest -- Representation**

- **Full-time officers & civilians generally may not represent non-govt. parties before any Fed. agency**
  - **Doesn't matter whether compensation involved**
  - **Rep. can occur thru meeting, phone, letter, fax**
- **There are special rules for reservists & other part-time employees. [18 USC 205(c)] Reservists should seek legal advice before representing a non-Federal org. before a Federal agency, especially if:**
  - **They worked on the matter as a reservist,**
  - **The matter is pending before the Air Force, or**
  - **The rep. would occur on IDT day or while on A/D.**

# **Government Property -- E-Mail**

**Govt. e-mail may be used for personal communications if supervisor (who is commissioned officer or GS-12 or above) determines:**

- (1) No adverse effect on performance of duties,**
  - (2) Use is of reasonable duration & frequency,**
  - (3) Use serves a legitimate public interest,**
  - (4) Use does not reflect adversely on Air Force,**
  - (5) Use does not overburden the system, and**
  - (6) Use does not create signif. additional cost.**
- [JER ¶ 2-301a; AFI 33-119, ¶ 3.3.2.]**

# **Government Property -- E-Mail**

**Govt. e-mail cannot be used for (& supervisors cannot approve) any of the following:**

- (1) Sending items in violation of copyright laws**
- (2) Sending e-mail for personal financial gain**
- (3) Misrepresenting your identity or affiliation**
- (4) Sending harassing or offensive material, including humor in poor taste, political or religious lobbying, & pornographic items**
- (5) Using someone else's userID w/o authority**
- (6) Causing congestion on the network.**

**[JER ¶ 2-301a; AFI 33-119, ¶ 3.3.1.1.]**

# **Government Property -- Business Cards**

- **Government funds may not be used to buy business cards (with one exception - for military recruiters). This rule applies to:**
  - **Appropriated funds [AFI 65-601]**
  - **Official representation funds [AFI 65-603]**
  - **Non-appropriated funds [AFI 34-201]**
- **Air Force employees, including reservists, may use the government printer to print business cards under certain conditions. [AFI 65-601, Vol I, para. 4.36.1; DoDD 5330.3, AF Supp. dated 18 Feb 99, para. 5.3.1.2.]**



# **Post-Government Employment – The Basic Job Hunting Rule**

- **If you are participating personally and substantially in a “particular matter” that has a direct and predictable effect on a company’s financial interests, you may not seek employment with the company.  
[5 CFR 2635.604(a)]**
- **Examples of “particular matters”:  
a government contract, the sale of a government asset to a company, or a claim by a company against the government.**

# **Post-Government Employment (PGE) -- 1-year compensation ban**

- **Employees who serve in one of seven positions, or who make one of seven types of decisions, on a contract over \$10 million, may not accept compensation from the contractor for 1 year.**
- **1-year ban is on accepting compensation from the contractor as an employee, consultant, officer or director. [41 USC 423(d)]**
- **Ban can apply to officers, enlisted & civilians.**

# **PGE -- Lifetime Representation Ban**

- **If an employee participates personally & substantially in a govt contract, he or she may go to work for the contractor, but may never act as contractor's representative before any Federal agency in any type of adversarial situation on that contract.**
- **Rule applies to full-time officers & civilians, and to reserve officers if they participate personally & substantially in the matter while on active duty. Rule is N/A to enlisted personnel. [18 USC 207(a)(1)]**
- **Rule applies to contracts & other particular matters (asset sales, environ. claims, personnel actions).**

# **PGE -- 2-Year Representation Ban**

- **If an employee has a contract under his or her official responsibility during his or her last year in the govt, he or she may go to work for contractor, but may not, for 2 years, act as the contractor's representative before any Federal agency in any type of adversarial situation on that contract.**
- **Rule applies to full-time officers & civilians, and to reserve officers if the matter is under their official responsibility while on active duty. The rule is N/A to enlisted personnel. [18 USC 207(a)(2)]**
- **Rule applies to contracts & other particular matters.**

# **PGE and Off-Duty Employment -- Working for a Foreign Government**

- **Retired military officers & enlisted personnel (including reservists receiving retired pay) may not work for a foreign govt w/o prior approval by their Military Dept & the Secy of State. [37 USC 908]**
- **Active Air Force reservists may not work for a foreign government. Inactive Air Force reservists may, but it is discouraged. [AFI 36-2913, para. 2]**
- **Rule for foreign governments also applies to working for educational or commercial institutions owned, operated or controlled by a foreign govt.**

# **Travel -- Frequent Flyer Miles**

- **Before 28 Dec 01, frequent flyer (FF) miles earned in official travel belonged to the govt.**
- **On 28 Dec 01, President signed FY 2002 DoD Authorization Act, which says FF miles earned in official travel may be kept for personal use.**
- **FF miles earned in official travel before, on, or after 28 Dec 01 are now employee's property.**
- **IRS Announcement 2002-18 says IRS will not assert tax liability for use of FF miles earned in official travel, unless they are converted to cash.**

# **Travel -- Upgrades on Official Travel**

- **You may accept an upgrade to first class or business class on official travel if the upgrade is:**
  - **An on-the-spot upgrade,**
  - **A promotional offer (such as for opening a new frequent flyer account), or**
  - **Offered because of your membership in a club (e.g., a Gold Card Club) for people who have a certain number of frequent flyer miles (even if all miles from govt travel). [JER para. 4-202]**

# **Travel -- Overbooked Flights**

- **Involuntary bump -- you may not keep the compensation, since it belongs to the govt.**
- **Voluntary surrender of seat**
  - **You may do this if taking the later flight would not interfere with the mission.**
  - **You may keep the compensation if taking the later flight does not result in any additional cost to the govt, i.e., you can't claim extra per diem for additional time you're on the road.**



# **Travel -- Government Travel Card**

- **Executive Branch employees are generally required to use the government travel card to pay for expenses of official travel. But there are 13 categories of employees who are not required to use the card, including “infrequent travelers” (those who travel two or less times per year). [DoD 7000.14-R, Vol 9, para. 030302]**
- **The government travel card must be used to pay for transportation, lodging, and rental car when on official travel. It may be used to pay for other charges associated with official travel, but it’s not required. [SECAF memo, Mandatory Travel Card Policy, 17 Apr 00, Atch 1, para. B2]**

# **Travel -- Affinity Credit Cards**

- If you have a credit card, and the credit card company has an arrangement with an airline, under which you earn frequent flyer (FF) miles for every dollar you charge on the credit card, the card is called an “affinity card.”**
- If you have an affinity credit card, you may use it to pay for the expenses of official travel (except for transportation, lodging & rental car, which must be paid for using the government travel card). You also may keep for personal use the FF miles that result from use of the affinity card. [Comp Gen. B-270423; Air Force TJAG Policy Ltr # 8, 4 Feb 98]**

# **Travel -- Registration of Travel Card**

- **There are sponsor companies that have arrangements with manufacturers whereby if you register your credit card with the sponsor company, and you use the credit card to buy a product from a participating manufacturer, the manufacturer will pay a percentage of the purchase price to the sponsor company, and the sponsor company will put that money into a Section 529 account for your child. A Section 529 account is a savings account for your child's education which has tax advantages. Air Force employees, including reservists, may register their government travel cards with such sponsor companies, and may retain the resulting benefits. [Opinion of the Air Force Judge Advocate General 2002/2, dated January 25, 2002]**

# **Miscellaneous -- Fundraising Rules**

- **A reservist may engage in fundraising in his or her personal capacity, but when doing so may not:**
  - **Personally solicit funds or other support from subordinates,**
  - **Personally solicit funds or other support from DoD contractors whose interests may be affected by the performance or non-performance of his or her reserve duties, OR**
  - **Use (or permit the use of) his or her government title or position to further the fundraising effort (but use of military rank and branch of service is permissible). [5 CFR 2635.808(c)]**

## **Miscellaneous -- Sales to Junior Personnel (JER para. 5-409)**

- **DoD employees, including reservists, may not knowingly solicit, or make solicited sales to, personnel junior in rank, grade, or position, or their family members, on or off duty.**
- **If there is no coercion or intimidation by the senior employee, the following is permitted:**
  - **Retail sales made during off-duty employment,**
  - **Sale or lease of non-commercial personal or real property (such as a car or house), and**
  - **Sales made because junior approaches senior.**

## **Miscellaneous -- Use of Government Vehicles**

- **Government vehicles may be used only for official travel. [31 USC 1344]**
- **“When DoD scheduled bus service or scheduled public transportation is not available or impractical, AFRC and ANG members in official status (active duty, active duty for training, annual tour, inactive duty for training pay and non-pay) are authorized transportation for line of duty travel including to and from temporary lodging quarters.” [AFI 24-301, Vehicle Operations, para. 2.6.12; see also OpJAGAF 1996/57]**

# Miscellaneous -- Using Your Govt. Title

- **Commercial enterprises.** Reservists may use their military rank and branch of service in connection with commercial enterprises, if their reserve status is indicated. [JER para. 2-304]
- **Non-Federal organizations.** [JER para. 3-300a(1)]
  - Federal employees, including reservists, generally may not use their government title or organization name in connection with their participation in non-Federal organizations.
  - Military members, including reservists, may use their military rank and branch of service (e.g., Major, USAF) in connection with such activities.

## **Miscellaneous -- Wearing the Uniform**

- **Air Force members, including reservists, may not wear the uniform when furthering:**
  - **Political activities,**
  - **Private employment, or**
  - **Commercial interests. [AFI 36-2903, Table 1.3]**



## **Miscellaneous -- Political Activities**

- **Air Force members, including reservists, must follow the rules on participation in political activities in Air Force Instruction 51-902.**
- **Reservists who are also Federal civilian employees must also follow the rules on participation in political activities in the Hatch Act.**

# **Miscellaneous -- Endorsement**

- **Federal employees, including reservists, may not use their government title or organization name to endorse a non-Federal organization, or its products, services, events, or enterprises. [5 CFR 2635.702(c); JER para. 3-209]**
- **Examples of potential violations:**
  - **Giving a contractor a quotation to use in its annual report**
  - **Writing the forward to a book**
  - **Making statements about a professional association in an ad for that association.**